

# Handbook for the Board of Examiners



accomplishment



recognition



# Handbook for the Board of Examiners





# Baldridge National Quality Program

National Institute of Standards and Technology • Technology Administration • Department of Commerce

## Words of Welcome

It is a pleasure to welcome you to the Board of Examiners for the Baldridge National Quality Program. As a member of the Board, you have the opportunity to help U.S. organizations take the next step in understanding and implementing the concepts of performance excellence in business, education, and health care. It is a time of great challenges for our country and your contributions will make a difference in addressing those challenges.

As you may know, we expect much of you. It is because of your integrity, thoroughness, commitment, and energy as a Baldridge Examiner that the Baldridge Award has played such a crucial role in enhancing U.S. competitiveness, quality, and performance excellence. You are the core of the Baldridge Program. By volunteering your time and expertise, you add value and prestige to the Baldridge Award.

This Handbook is a resource that will help you in your role as an Examiner. It contains basic information about the Baldridge Program and the processes used in evaluating applicants.

Thank you for your support in this important and unique partnership effort between the private sector and the U.S. government. I hope you derive great satisfaction from taking part in the Baldridge experience. Our nation truly values your efforts. I look forward to working with each of you in our mutual quest to strengthen U.S. performance excellence here and around the world.

A handwritten signature in black ink that reads "Harry S. Hertz". The signature is written in a cursive, flowing style.

Harry S. Hertz  
Director, Baldridge National Quality Program

# CONTENTS

<b>1.0</b>	<b>About This Handbook</b>	
	Purpose . . . . .	1-1
	Contents and Format . . . . .	1-1
	Revisions . . . . .	1-1
	Request for Comments and Suggestions . . . . .	1-1
<hr/>		
<b>2.0</b>	<b>The Malcolm Baldrige National Quality Award</b>	
	Background . . . . .	2-1
	Purpose . . . . .	2-1
	Basic Eligibility . . . . .	2-1
	Criteria Categories . . . . .	2-1
	Award Presentation . . . . .	2-2
	Organization of the Award Program . . . . .	2-2
	The Foundation for the Malcolm Baldrige National Quality Award . . . . .	2-2
	National Institute of Standards and Technology (NIST) . . . . .	2-3
	American Society for Quality (ASQ) . . . . .	2-3
	Board of Overseers . . . . .	2-3
	Board of Examiners . . . . .	2-3
	Award Recipients . . . . .	2-3
<hr/>		
<b>3.0</b>	<b>The Board of Examiners</b>	
	Role of the Board of Examiners . . . . .	3-1
	Selection of Board Members . . . . .	3-1
	Duties of the Board of Examiners . . . . .	3-1
	Award Cycle . . . . .	3-2
	Service Recognition . . . . .	3-2
	Examiners' Role as Ambassadors of the Program . . . . .	3-2
	Rules of Conduct . . . . .	3-3
	Code of Ethical Standards . . . . .	3-3
	Disclosure of Conflict of Interest . . . . .	3-4
	Computer Practices and Confidentiality Considerations . . . . .	3-4
	Computer Use . . . . .	3-4
	Confidentiality Requirements . . . . .	3-4
	Reimbursement of Expenses . . . . .	3-5
	Reimbursement Guidelines . . . . .	3-5
<hr/>		
<b>4.0</b>	<b>Evaluation Process</b>	
	Overview . . . . .	4-1
	Key Process Steps . . . . .	4-1

<b>5.0 Scoring System</b>	
Overview . . . . .	5-1
Approach . . . . .	5-1
Deployment . . . . .	5-1
Results . . . . .	5-1
Item Classification and Scoring Dimensions . . . . .	5-1
“Importance” as a Scoring Factor . . . . .	5-2
Assignment of Scores to Applicants’ Responses . . . . .	5-2
Frequently Asked Questions About Scoring . . . . .	5-2
<hr/>	
<b>6.0 Stage 1, Independent Review</b>	
Overview . . . . .	6-1
Assignment of Examiners . . . . .	6-1
Independent Review Process . . . . .	6-1
Frequently Asked Questions About Stage 1, Independent Review . . . . .	6-1
<i>Independent Review: DOs and DON'Ts</i> . . . . .	6-3
<hr/>	
<b>7.0 Stage 2, Consensus Review</b>	
Overview . . . . .	7-1
Composition of the Consensus Team . . . . .	7-1
Consensus Review Process . . . . .	7-1
Conducting the Consensus Call . . . . .	7-1
Frequently Asked Questions About Stage 2, Consensus Review . . . . .	7-2
<i>Consensus Review: DOs and DON'Ts</i> . . . . .	7-3
<hr/>	
<b>8.0 Stage 3, Site Visit Review</b>	
Overview . . . . .	8-1
Composition of the Site Visit Team . . . . .	8-1
Site Visit Planning . . . . .	8-1
Notification of Applicant . . . . .	8-1
Initial Preparation for the Site Visit . . . . .	8-1
Final Preparation and Planning Meeting . . . . .	8-1
Site Visit Execution . . . . .	8-1
Conducting the Site Visit . . . . .	8-1
Completion of the Site Visit Scorebook . . . . .	8-2
Computer Use . . . . .	8-2
Frequently Asked Questions About Stage 3, Site Visit Review . . . . .	8-3
<i>Site Visit Review: DOs and DON'Ts</i> . . . . .	8-4

<b>9.0</b>	<b>Recommendation of Award Recipients . . . . .</b>	<b>9-1</b>
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<b>10.0</b>	<b>Feedback System</b>	
	Overview . . . . .	10-1
	Feedback Report Format . . . . .	10-1
	Scoring Band Descriptors . . . . .	10-2
	Suggested Steps in Preparing the Final Scorebook/Feedback Report . . . . .	10-3
	Frequently Asked Questions About Preparing Final Scorebooks . . . . .	10-4

<b>11.0</b>	<b>Selection Procedures Used by the Panel of Judges</b>	
	Selection of Applicants for Stage 2, Consensus Review . . . . .	11-1
	Selection of Applicants for Stage 3, Site Visit Review . . . . .	11-1
	Selection of Recommended Award Recipients . . . . .	11-1
	Basic Principles . . . . .	11-1
	Procedure . . . . .	11-1

## **Appendices**

	Contact Information for the Award Manager and Award Administrator . . . . .	A1-1
	Baldrige National Quality Program Information Services . . . . .	A2-1

## **I.0 ABOUT THIS HANDBOOK**

### **Purpose**

The purpose of this Handbook is to provide the Board of Examiners with a summary of basic information about the Award and about the processes used in evaluating applicants. Its intent is to help ensure fair and thorough evaluations of applicants and to guide Examiners in fulfilling their responsibilities.

It is hoped that Examiners will use the Handbook in their preparation for Examiner training and as a reference throughout the evaluation processes. More detailed process instructions will be provided to Examiners on an as-needed basis. (For further information, contact the Award Process Team of the Baldrige National Quality Program, 301-975-2036.)

### **Contents and Format**

The sections of this Handbook are as follows:

- About This Handbook
- The Malcolm Baldrige National Quality Award
- The Board of Examiners
- Evaluation Process
- Scoring System
- Stage 1, Independent Review
- Stage 2, Consensus Review
- Stage 3, Site Visit Review
- Recommendation of Award Recipients
- Feedback System
- Selection Procedures Used by the Panel of Judges
- Appendices

### **Revisions**

This Handbook will be revised biennially or as needed.

### **Request for Comments and Suggestions**

Readers/users of this Handbook are encouraged to send suggestions for revision to the Baldrige National Quality Program, National Institute of Standards and Technology. Refer to Appendix 1 for contact information.

## 2.0 THE MALCOLM BALDRIGE NATIONAL QUALITY AWARD

### Background

Public Law 100-107, the Malcolm Baldrige National Quality Improvement Act of 1987, was signed into law by President Ronald Reagan on August 20, 1987. This act established the Malcolm Baldrige National Quality Award, named in honor of the former Secretary of Commerce. For the first ten years of the Baldrige National Quality Program, the Award was limited to three eligibility categories: manufacturing, service, and small business. On October 30, 1998, President William Clinton signed legislation establishing two additional eligibility categories: health care and education.

The Award is managed by the Baldrige National Quality Program at the National Institute of Standards and Technology. The Secretary of Commerce and NIST develop and manage the Award with cooperation and support from the private sector. Currently, the American Society for Quality is under contract to NIST to administer the Award.

### Purpose

The Baldrige National Quality Program encourages performance improvement in all sectors of the economy. The Program establishes the guidelines and criteria that can be used by organizations to evaluate their own performance or to apply for the Award. It also disseminates information detailing how superior organizations were able to achieve outstanding performance and improved competitiveness. The concept of performance excellence is directly applicable to organizations of all types and sizes.

The Award promotes

- awareness of performance excellence as an increasingly important element in competitiveness
- information sharing of successful performance strategies and the benefits derived from using these strategies

Awards are made annually to recognize U.S. organizations for performance excellence. As many as three Awards may be given in each of five eligibility categories:

- manufacturing businesses
- service businesses
- small businesses
- education organizations
- health care organizations

### Basic Eligibility

Eligibility for the Award is intended to be as open as possible. The basic eligibility rules for business, education, and health care follow. Questions regarding eligibility should be referred to the Baldrige National Quality Program Office at (301) 975-2036.

- Any for-profit business and some subunits headquartered in the United States or its territories, including U.S. subunits of foreign companies, may apply for the Award. These include publicly or privately owned, domestic or foreign owned companies, joint ventures, corporations, sole proprietorships, partnerships, and holding companies.
- For-profit and not-for-profit education organizations and some subunits that provide education services to students in the United States or its territories may apply. These include elementary and secondary schools and school districts; colleges, universities, and university systems; schools or colleges within universities; professional schools; community colleges; and technical schools.
- For-profit and not-for-profit health care organizations and some subunits located in the United States or its territories that are primarily engaged in providing medical, surgical, or other health services directly to people may apply. These include hospitals, health maintenance organizations, long-term care facilities, health care practitioner offices, home health agencies, and dialysis and ambulatory surgery centers.

The complete eligibility rules are in the *Baldrige Award Application Forms* booklet. The booklet can be found on the BNQP Web site or it may be ordered by calling the Baldrige National Program Office at (301) 975-2036.

### Criteria Categories

The Baldrige Criteria for Performance Excellence are the bases for organizational self-assessments, for making Awards, and for giving feedback to applicants. Seven Categories are examined in evaluating Award applicants. Emphasis is placed on performance excellence as demonstrated through systematic processes and quantitative data furnished by applicants.



The seven Baldrige Criteria Categories are as follows:

	<b>Business</b>	<b>Education</b>	<b>Health Care</b>
<b>1</b>	Leadership	Leadership	Leadership
<b>2</b>	Strategic Planning	Strategic Planning	Strategic Planning
<b>3</b>	Customer and Market Focus	Student, Stakeholder, and Market Focus	Focus on Patients, Other Customers, and Markets
<b>4</b>	Information and Analysis	Information and Analysis	Information and Analysis
<b>5</b>	Human Resource Focus	Faculty and Staff Focus	Staff Focus
<b>6</b>	Process Management	Process Management	Process Management
<b>7</b>	Business Results	Organizational Performance Results	Organizational Performance Results

## Award Presentation

Recipients are presented with an Award crystal, composed of two solid crystal prismatic forms, which stands 14 inches tall. The crystal is held in a base of black anodized aluminum with the Award recipient's name engraved on the base. A 22-karat gold-plated medallion is captured in the front section of the crystal. The medal bears the inscriptions "Malcolm Baldrige National Quality Award" and "The Quest for Excellence" on one side and the Presidential Seal on the other.

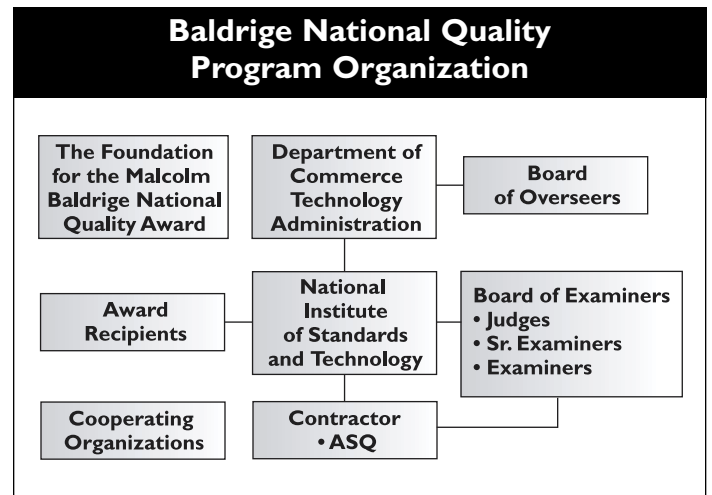
The President of the United States traditionally presents the Awards at a special ceremony in Washington, DC.

Recipients may publicize and advertise their receipt of the Award. The recipients are expected to share information about their successful performance and quality strategies with other U.S. organizations.

## Organization of the Award Program

Building active partnerships in the private sector, and between the private sector and all levels of government, is fundamental to the success of the Baldrige National Quality Program in improving national competitiveness. Support by the private sector for the Program in the form of funds, volunteer efforts, and participation in information transfer continues to grow.

To ensure the continued growth and success of these partnerships, each of the organizations in the chart at the right plays an important role.



### *The Foundation for the Malcolm Baldrige National Quality Award*

The Foundation for the Malcolm Baldrige National Quality Award was created to foster the success of the Program. The Foundation's main objective is to raise funds to permanently endow the Award Program.

Prominent leaders from U.S. organizations serve as Foundation Trustees to ensure that the Foundation's objectives are accomplished. A broad cross-section of organizations from throughout the United States provide financial support to the Foundation.

### ***National Institute of Standards and Technology***

The U.S. Department of Commerce is responsible for the Baldrige National Quality Program and the Award. NIST, an agency of the Department's Technology Administration, manages the Baldrige Program. NIST promotes U.S. economic growth by working with industry to develop and deliver the high-quality measurement tools, data, and services necessary for the nation's technology infrastructure. NIST also participates in a unique, government-private-sector partnership to accelerate the development of high-risk technologies that promise significant commercial and economic benefits. Through a network of technology extension centers and field offices serving all 50 states and Puerto Rico, NIST helps small- and medium-sized businesses access the information and expertise they need to improve their competitiveness in the global marketplace.

### ***American Society for Quality***

ASQ assists in administering the Award Program under contract to NIST. ASQ is dedicated to the ongoing development, advancement, and promotion of quality concepts, principles, and techniques. ASQ strives to be the world's recognized champion and leading authority on all issues related to quality. ASQ recognizes that continuous quality improvement will help the favorable positioning of American goods and services in the international marketplace.

### ***Board of Overseers***

The Board of Overseers advises the Department of Commerce on the Baldrige National Quality Program. The board is appointed by the Secretary of Commerce and consists of distinguished leaders from all sectors of the U.S. economy.

The Board of Overseers evaluates all aspects of the Program, including the adequacy of the Criteria and processes for determining Award recipients. An important part of the board's responsibility is to assess how well the Program is serving the national interest. Accordingly, the board makes recommendations to the Secretary of Commerce and to the Director of NIST regarding changes and improvements in the Program.

### ***Board of Examiners***

The Board of Examiners evaluates Award applications using the Criteria for Performance Excellence (Business, Education, and Health Care). Some board members also prepare final scorebooks that are the bases for applicant feedback reports. The Panel of Judges, part of the Board of Examiners, makes Award recommendations to the Director of NIST. The board consists of leading U.S. business, health care, and education experts. NIST selects board members through a competitive application process. Currently, the board consists of approximately 400 members. All members of the board must have time available during the period from May to December to attend the preparation course in Gaithersburg, Maryland, and to conduct reviews.

In addition to their application review responsibilities, board members contribute significantly to the Baldrige National Quality Program through outreach and educational activities. They often serve as representatives to professional, trade, community, and state organizations to which they belong.

### ***Award Recipients***

Award recipients have been very generous in their commitment to improving U.S. competitiveness and the U.S. pursuit of performance excellence. They have shared information with hundreds of thousands of companies, education organizations, health care organizations, government agencies, and others. Award recipients' efforts have encouraged many other organizations in all sectors of the U.S. economy to undertake their own performance improvement efforts.

3.0 THE BOARD OF EXAMINERS

Role of the Board of Examiners

The Board of Examiners is comprised of leading U.S. business, health care, and education experts and individuals selected from industry, professional, and trade organizations; government agencies; other not-for-profit groups; and the ranks of the retired. As a member of the Board of Examiners, the duties you will perform will maintain the foundation for the value and meaning of the Baldrige Program. The importance of your contribution cannot be overstated.

Accordingly, much is expected of you. As a member of the Board of Examiners, you agree to do the following:

- Attend a three-day training course during the month of May.
- Serve as an ambassador of the Baldrige Program.
- Acquire knowledge and understanding of your role in the Baldrige Program.
- Identify and fulfill your responsibilities as an Examiner, Senior Examiner, or Judge.
- Adhere to the requirements of the Rules of Conduct, Code of Ethical Standards, Disclosure of Conflict of Interest, and Computer Practices and Confidentiality Considerations as stated on pages 3-3 and 3-4.
- Meet all requirements associated with a fair and competent evaluation, including adherence to the Criteria for Performance Excellence, the Scoring System, and consensus and site visit requirements.
- Maintain thorough documentation and reasonable records, honor time commitments, and adhere to due dates.
- Serve for one Award cycle: from completion of the Examiner Preparation Course through the Award Ceremony. Judges are appointed for three-year terms.

Selection of Board Members

Members of the Board of Examiners are selected based on individual merits and Program needs. The Baldrige National Quality Program seeks to constitute a board of experts capable of evaluating organizations eligible for the Award and serving as representatives for the Baldrige Program. The board includes Judges, Senior Examiners, and Examiners. Criteria used in the selection of board members include breadth and depth of experience; diversity of experience; leadership and external representation; and knowledge of business, specialized areas, and/or practices and improvement strategies leading to performance excellence.

Based upon the evaluation of the applications submitted by potential Examiners, board members are selected and appointed by NIST. Judges are appointed by the Secretary of Commerce for three-year terms; Senior Examiners and Examiners are appointed for one Award cycle.

Board members may reapply for membership if they wish to serve again. Examiner applications for the following year are automatically sent to current board members. Each year, approximately one-third of the Examiners are replaced to provide opportunities for participation by others and to balance the board with Examiners from different sectors and different work experiences.

Duties of the Board of Examiners

The Baldrige National Quality Program seeks to provide the fairest, most competent evaluation of each application. Accordingly, board members are assigned to applications on the basis of their knowledge and experience, consistent

Judges  
Senior Examiners  
Examiners

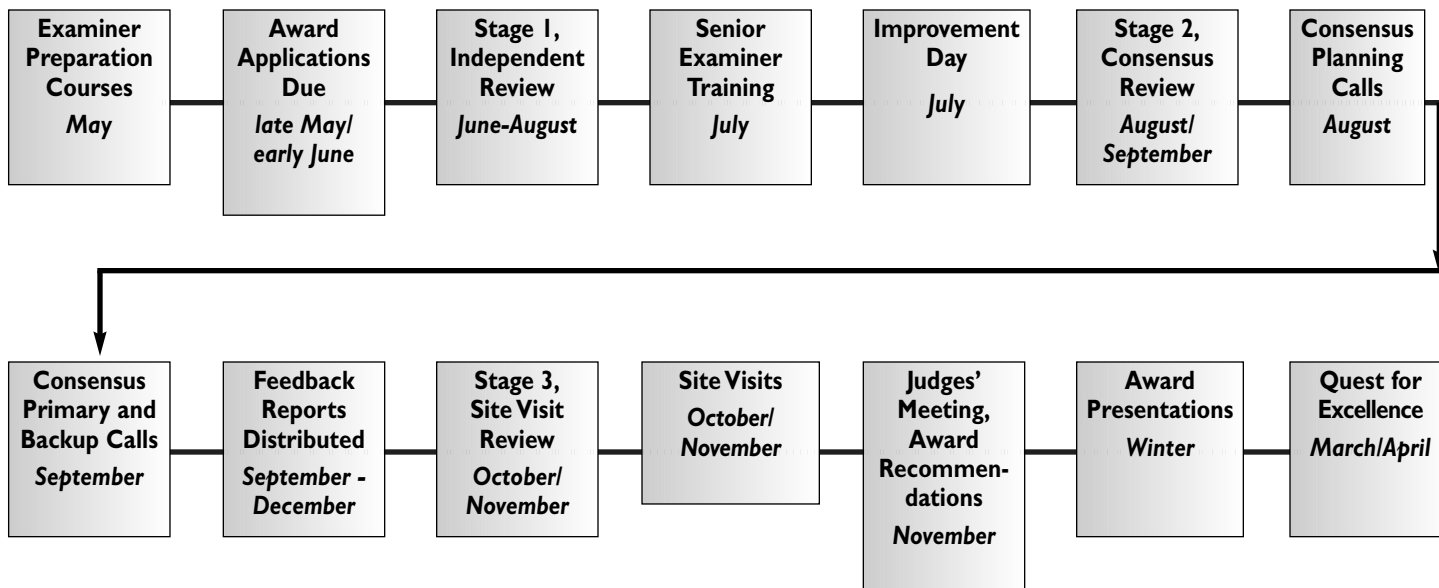
with the requirements to avoid conflicts of interest, to apportion the application load equitably, and to adhere to agreed-upon schedules. It is essential that the evaluation is completed by the agreed-upon schedules. Not adhering to these schedules can significantly hamper the overall Award process. Depending upon the results of evaluations, overall participation of board members may vary.

- In Stage 1, Independent Review, all board members participate, with their duties requiring a time commitment of typically 30-40 hours per application.
- In Stage 2, Consensus Review, typically 50-70 percent of the board members have assignments that require a time commitment of 3-6 days.
- In Stage 3, Site Visit Review, 35-55 percent of the board members participate, with their duties requiring at least a total time commitment of 7-10 days.

Stage	Activity	Estimated Time
Consensus	Planning Call	1 hour
	Preparation	6-8 hours
	2 Conference Calls	4 hours each
	Post-call wrap-up	1-3 hours
Site Visit	Preparation	1-2 days
	Conference Calls	2 hours
	On-site/hotel work	5-7 days

- Some board members also prepare final scorebooks, requiring an additional time commitment.
- Some Senior Examiners also will lead or be back-up team leaders for Consensus Review and Site Visit Teams.
- Judges review Stage 1 and Stage 2 applicant scores, select applicants for consensus review and site visits, recommend Award recipients to NIST, and review new Examiner applications to make selection recommendations to the board.

## Award Cycle



## Service Recognition

After completing the Examiner Preparation Course

- board members will receive a certificate of appointment and a lapel pin from the Department of Commerce designating their position on the Board of Examiners
- board members may request a news release from ASQ to submit to hometown newspapers, professional association newsletters, and similar publications by contacting ASQ
- new board members will receive a copy of a photograph taken of them with the Director of the Baldrige National Quality Program during the Examiner Preparation Course

In addition, board members will be invited to attend the Ceremony for the Award recipients, a special recognition ceremony for Examiners, and other related Award Ceremony events.

## Examiners' Role as Ambassadors of the Program

In addition to application review responsibilities, board members may contribute significantly to the overall Baldrige mission by serving as representatives for the Program. As ambassadors of the Program, Examiners may participate on panels, give presentations, write articles, distribute Baldrige Program materials, and encourage the submission of applications for the Award and Board of

Examiners. Many of these activities involve the professional, trade, community, and state organizations to which board members belong. It is important, however, that presentations reflect the knowledge of the current Criteria and the Award process. To assist Examiners with these activities, educational materials are available upon request from the Baldrige National Quality Program. These materials are described in Appendix 2.

As representatives of the Program, board members should follow these guidelines:

- Focus on the Baldrige Program as a national education program for achieving performance excellence.
- Provide background on the creation of the Award Program by Public Law 100-107, the Malcolm Baldrige National Quality Improvement Act of 1987, and the Baldrige Program's current activities.
- Encourage submission of Examiner and Award applications.
- Use Baldrige-related materials, such as speakers' notes, overheads, publications, handouts, and Baldrige exhibits. (Feel free to contact the Baldrige National Quality Program for recent updates of materials. See Appendix 2 for details.)
- Distribute copies of Program materials at meetings.
- Uphold the Rules of Conduct and the Code of Ethical Standards to protect the integrity of the Award.

- Communicate any significant issues, controversies, or changes that could impact the Criteria or the Baldrige National Quality Program.
- Gather input on needed changes to the Criteria—what works and what does not—and communicate this information to the Baldrige National Quality Program.
- Share suggestions for improvements, new ideas, or developing trends with the Baldrige National Quality Program (e.g., by contacting the Baldrige National Quality Program Office or attending the annual Improvement Day).
- Publish articles about the Program and share reprints with the Baldrige staff.
- Participate in conferences and engagements focused on overall performance improvement rather than winning the award.

## Rules of Conduct

The following Rules of Conduct are established to maintain the confidentiality of all Award application information, including the identity of applicants, and to preserve fairness in the examination process. The rules pertain to the entire Board of Examiners, including Judges, Senior Examiners, and Examiners.

1. All information about the applicant and the applicant's business gained through the evaluation process shall be treated as confidential, and the following precautions shall be taken:
  - a. Applicant information shall not be discussed with anyone, including other Examiners, with the exception of designated team members, Judges, the Award Administrator, and NIST representatives. This includes information contained in the written application, as well as any additional information obtained during a site visit.
  - b. Names of applicants shall not be disclosed during or after the application review process.
  - c. No copies of application information shall be made or retained.
  - d. No notes pertaining to the application shall be retained.
  - e. No discussions mentioning applicant identities are to be held on cellular or cordless phones or by voice mail or e-mail.
  - f. No applicant information may be adapted and used following the review process, unless the information is publicly released by the applicant (at the annual Quest for Excellence Conference, for example).
2. Each Examiner is responsible for *personally* and *independently* scoring all assigned applications.

3. During the evaluation cycle, Examiners *shall not* communicate with the applicant organizations or in any manner seek additional documentation, information, or clarification. This includes Internet searches. If questions arise, contact NIST.
4. Examiners *shall not* at any time (during or after the evaluation cycle) independently give feedback to applicants regarding scoring or overall performance.
5. Examiners advising or participating with an organization in the preparation of an Award application shall not reveal or discuss that participation with other Examiners, either during the training or during the application review phases.
6. Upon completion of the Examiner Preparation Course, members of the Board of Examiners may use the following designation: Examiner, Malcolm Baldrige National Quality Award (MBNQA), and year(s) served. However, a board member may not use the MBNQA logo in any advertising or promotion, nor may business cards include the designation or the MBNQA logo.
7. Examiners shall never approach an organization they have evaluated for their personal gain, including the establishment of an employment or consulting relationship.
8. If approached by an organization they have evaluated, Examiners shall not accept employment from that organization for a period of five years after the evaluation.
9. During the consensus and site visit review processes, Examiners will strive to encourage and maintain a professional working environment that promotes respect of the Award applicants, their employees, and all members of the Examiner team.
10. When participating in a site visit, Examiners will strive to respect the climate, culture, and values of the organization being evaluated.

## Code of Ethical Standards

### *Declaration of Principles*

Members of the Malcolm Baldrige National Quality Award Board of Examiners pledge to uphold their professional principles in the fulfillment of their responsibilities as defined in the administration of Public Law 100-107, the Malcolm Baldrige National Quality Improvement Act of 1987, which establishes the Malcolm Baldrige National Quality Award.

In promoting high standards of public service and ethical conduct, board members

- shall conduct themselves professionally, with truth, accuracy, fairness, respect, and responsibility to the public



- shall not represent conflicting or competing interests, nor place themselves in such a position where the Board member's interest may be in conflict, or appear to be in conflict, with the purposes and administration of the Award
- shall safeguard the confidences of all parties involved in the judging or examination of present or former applicants
- shall not offer confidential information or disclosures which may in any way influence the Award integrity or process, currently or in the future
- shall not serve any private or special interest in fulfillment of the duties of a Judge or Examiner, therefore excluding, by definition, the examination of any organization or subunit of an organization by which he/she is employed or of which a consulting arrangement is in effect or anticipated
- shall not serve as an Examiner of a primary competitor, customer, or supplier of any organization or subunit of an organization of which he/she is an employee, has a financial interest or is involved in, or anticipates a consulting arrangement
- shall not intentionally communicate false or misleading information which may compromise the integrity of the Award process or decisions therein
- shall never approach an organization they have evaluated for their personal gain, including the establishment of an employment or consulting relationship
- if approached by an organization they have evaluated, shall not accept employment from that organization for a period of five years after the evaluation

Furthermore, it is pledged that as a member in good standing of the Malcolm Baldrige National Quality Award Board of Examiners, each board member shall strive to enhance and advance the Malcolm Baldrige National Quality Award as it serves to stimulate American companies and organizations to improve quality, productivity, and overall performance.

### Disclosure of Conflict of Interest

Those selected to serve on the Board of Examiners must submit a conflict of interest form before or during the Examiner Preparation Course. Disclosure needs to take into account employers, significant ownership, client relationships, and affiliations that may present or seem to present a conflict of interest to the board members' impartial fulfillment of duties in the Baldrige National Quality Program. Such information will be used for purposes of board members' assignments in the application review process and will otherwise be kept confidential. **The form must be updated as circumstances change.**

## Computer Practices and Confidentiality Considerations

### Computer Use

When using personal computers, including laptop/notebook computers, apply the appropriate precautions and safeguards regarding hardware, confidential data/information, and viruses.

**Due to confidentiality considerations, an Examiner is not permitted to have someone else transcribe written documents relating to the Award application evaluation.**

Because typed material is more legible than handwritten material, it is strongly recommended that Examiners prepare documents using a word processor. It is also strongly recommended that all scorebook worksheets be prepared or saved in Word 6, 12 point, Times New Roman. Please scan your diskette using updated virus detection software before sending it. Specific instructions regarding format will be provided as each evaluation stage begins.

For Stage 1, a copy of the completed *Scorebook for Business, Education, and Health Care* must be submitted. Early in the consensus and site visit review stages, each team will discuss computer use, compatibility of software, and exchange of materials and come to an agreement on how the team will proceed. At the completion of these stages, printed copies of the final scorebooks are submitted. For any section of these scorebooks that has an existing electronic file, a diskette containing the file is generally provided by the Examiner to the team leader and the scorebook writer/editor for use in finalizing these scorebooks. These scorebooks are the basis for the applicant feedback report.

### Confidentiality Requirements

Confidentiality of the Award Program requires that electronic files be treated with the same degree of security as paper copies of Award application materials. Consequently, when not in use, electronic files should be removed from the computer hard disk and stored on a clearly marked diskette that is placed in a secure location (e.g., with other written applicant materials), such as a locked file or file cabinet. Electronic files containing Award evaluations should never be placed on a computer or diskette where anyone other than the Examiner has access to it. Electronic files containing Award evaluations may not be sent over the Internet or via e-mail because of the difficulty in securing electronic communications.

When the review process is complete and the electronic files are no longer needed, the files (including any backup files the Examiner's word processor may have created) must be removed from the hard disk and/or the diskettes. These disks should be reformatted so that information cannot be retrieved using software recovery programs.

## Reimbursement of Expenses

Since the Award application review process receives no federal funding and application fees are kept to a minimum, the Program operates with maximum voluntary support. Where individual needs exist, the Program will reimburse Examiners for travel and expenses (in accordance with federal travel regulations) associated with the Examiner Preparation Courses and other Program-related activities, when requested and approved in advance. Individuals selected for the board will be required to justify the need for reimbursement. If reimbursement needs change, written requests must be forwarded to

MBNQA Examiner Reimbursement  
c/o American Society for Quality  
P.O. Box 3005  
Milwaukee, WI 53201-3005

Questions may be addressed to Brenda Kruppe at (414) 765-7205 or bkruppe@asq.org.

An Examiner submits the MBNQA Examiner Expense Report—Award Cycle to

MBNQA Examiner Reimbursement  
c/o American Society for Quality  
P.O. Box 3005  
Milwaukee, WI 53201-3005

Use of any other expense form will delay the processing of an Examiner's reimbursement.

## Reimbursement Guidelines

### *Airfare.*

Airfare will be reimbursed at the advance purchase price, coach only, to a **maximum amount of \$500.00**. If the cost of your airline ticket exceeds \$500.00, you will be reimbursed up to the \$500.00 limit. You must provide a legible receipt when requesting reimbursement. The program cannot reimburse Examiners for first-class travel.

### *Privately Owned Vehicle (POV) travel.*

Examiners who drive vehicles are reimbursed at the Federal Travel POV rate (the current rate is 34.5 cents per mile) plus tolls. The total request for mileage and tolls cannot exceed the \$500.00 limit.

### *Lodging.*

Lodging will be reimbursed at the reserved hotel rate for Examiners. If staying at a different location, reimbursement will be made up to the reserved hotel rate.

### *Other Reimbursable Expenses.*

The Program will reimburse Examiners for certain expenses defined below to a **maximum amount of \$100.00**.

#### ■ **Transportation to and from the airport.**

Reimbursement may be made to cover POV mileage, parking, or the most cost-effective mode of transportation. The Program will not reimburse for limousine service.

- **Meals.** Meals not provided by the Program may be reimbursed at the federal rate. When attending Examiner training, the Program provides breakfast and lunch during all three days of training and dinner Wednesday evening. Presently the meal and incidental daily rate for the Gaithersburg area is \$46.00. Maximum amount for each meal is the following:

- \$ 9.00 Breakfast
- \$10.00 Lunch
- \$27.00 Dinner

- **Award Program expenses.** Expenses incurred for telephone calls, faxes, and photocopies may be reimbursed. (These expenses must be in direct support of the Award Program.)

- **Overnight mail service.** Call ASQ (800-248-1946) for the billing code.

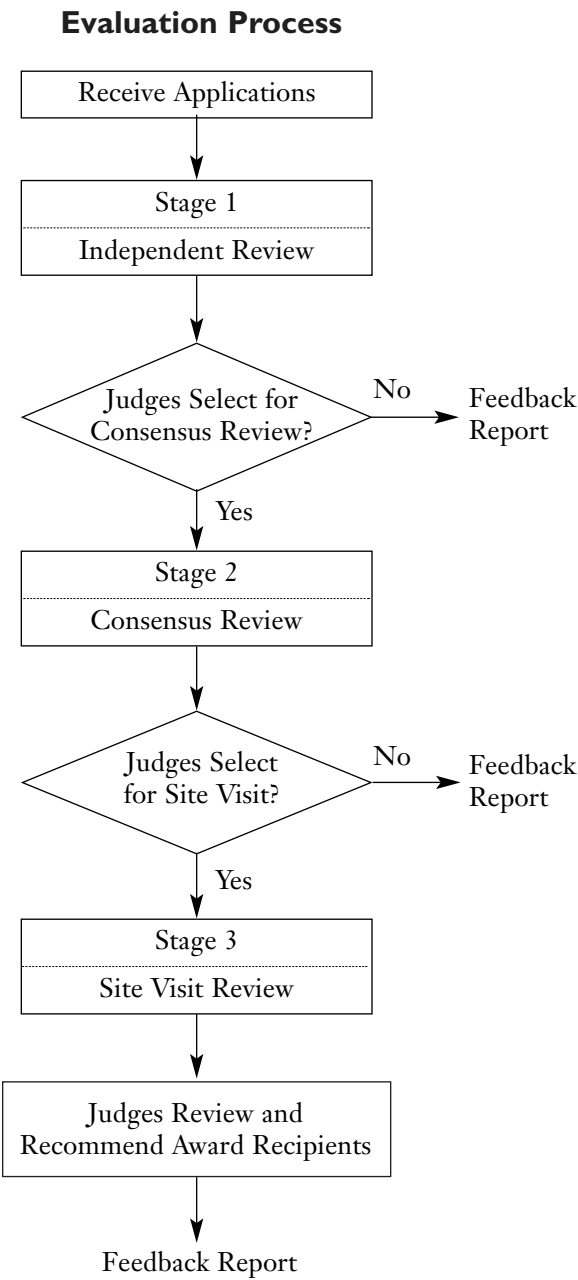
# 4.0 EVALUATION PROCESS

## Overview

Written applications for the Malcolm Baldrige National Quality Award are evaluated by members of the Board of Examiners. High-scoring applicants are selected for site visits, and Award recipients are chosen from among the site-visited applicants. All applicants receive a written feedback report detailing their strengths and opportunities for improvement (OFIs).

## Key Process Steps

There are four key steps in the review process: (1) Stage 1, Independent Review; (2) Stage 2, Consensus Review; (3) Stage 3, Site Visit Review; and (4) Judges' Selection of Recommended Award Recipients. The following diagram illustrates these steps.





## 5.0 SCORING SYSTEM

### Overview

The system for scoring applicant responses to Criteria Items involves the assessment of three evaluation dimensions, considers the factor of “importance” to the applicant’s organization, and employs an anchored rating scale known as the Scoring Guidelines. Baldrige Award Examiners should be thoroughly familiar with the information in the *Criteria for Performance Excellence* booklets on writing an application. Additional information on the scoring process and detailed instructions on how to complete a scorebook are provided to Examiners in the *Scorebook for Business, Education, and Health Care*.

The scoring of applicant responses to Criteria Items (Items) and Award applicant feedback are based on three evaluation dimensions: (1) Approach, (2) Deployment, and (3) Results. Applicants need to furnish information relating to these dimensions. Specific factors for these dimensions are described below. Scoring Guidelines for Business, Education, and Health Care are given in the respective *Criteria for Performance Excellence* booklet.

### Approach

“Approach” refers to how the applicant addresses the Item requirements—the *method(s)* used. The factors used to evaluate approaches include

- the appropriateness of the methods to the requirements
- the effectiveness of use of the methods and the degree to which the approach
  - is repeatable, integrated, and consistently applied
  - embodies evaluation/improvement/learning cycles
  - is based on reliable information and data
- alignment with organizational needs
- evidence of beneficial innovation and change

### Deployment

“Deployment” refers to the *extent* to which the applicant’s approach is applied. The factors used to evaluate deployment include

- use of the approach in addressing Item requirements relevant to the applicant’s organization
- use of the approach by all appropriate work units

### Results

“Results” refers to *outcomes* in achieving the performance requirements given in the Items of Category 7. The factors used to evaluate results include

- current performance
- performance relative to appropriate comparisons and/or benchmarks
- rate and breadth of performance improvements
- linkage of results measures to important customer, market, process, and action plan performance requirements identified in the Organizational Profile and in Approach-Deployment Items

### Item Classification and Scoring Dimensions

Items are classified according to the kinds of information and/or data applicants are expected to furnish relative to the three evaluation dimensions.

The two types of Items and their designations are:

1. Approach-Deployment **Approach - Deployment**
2. Results **Results**

Approach and Deployment are linked to emphasize that descriptions of Approach should always indicate the Deployment—consistent with the *specific requirements* of the Item. Although Approach and Deployment dimensions are linked, feedback to Award applicants reflects strengths and/or opportunities for improvement in either or both dimensions.

Results Items call for data showing performance levels, relevant comparative data, and improvement trends for key measures/indicators of organizational performance. Results Items also call for data on breadth of performance improvements, i.e., on how widespread an applicant’s improvement results are. This is directly related to the Deployment dimension; if improvement processes are widely deployed, there should be corresponding results. A score for a Results Item is thus a composite based upon overall performance, taking into account the rate and breadth of improvements and their importance. (See next section.)

## **“Importance” as a Scoring Factor**

The three evaluation dimensions described previously are critical to evaluation and feedback. However, another critical consideration in evaluation and feedback is the importance of the applicant’s reported Approach, Deployment, and Results to the key business/organization factors (KFs). The areas of greatest importance should be identified by the applicant in the Organizational Profile and in the appropriate Items. The applicant’s key customer requirements and key strategic objectives and action plans are particularly important.

## **Assignment of Scores to Applicants’ Responses**

Baldrige Award Examiners observe the following guidelines in assigning scores to applicants’ responses:

- All Areas to Address should be included in the Item response. Also, responses should reflect what is important to the organization.
- Using the Scoring Guidelines, an Examiner first decides which scoring range (e.g., 50% to 60%) best fits the overall Item response and then assigns a score for the Item. Overall “best fit” does not require total agreement with each of the statements for that scoring range. The actual score *within* the range depends upon an Examiner’s judgment whether the Item response is closer to the statements in the next higher or next lower scoring ranges.
- An Approach-Deployment Item score of 50% represents an approach that meets the overall objectives of the Item and that is deployed to the principal activities and work units covered in the Item. Higher scores reflect maturity (cycles of improvement), integration, and broader deployment.
- A Results Item score of 50% represents a clear indication of improvement trends and/or good levels of performance in the principal results areas covered in the Item. Higher scores reflect better improvement rates and/or levels of performance, better comparative performance, and broader coverage and integration with organizational requirements.

## **Frequently Asked Questions About Scoring**

### **1. Must the commentary and scoring for an Item be based only upon information the applicant has presented for that Item?**

No, but the applicant’s primary information for an Item should be contained in that Item response. Applicants are permitted to cross-reference to avoid significant duplication of information. Such cross-references need to be given full consideration by the Examiners. Occasionally, applicants include information that bears directly upon one Item in their response to another Item, without a cross-reference. Such information should be credited. In general, Examiners are expected to be alert to relevant information no matter where it appears in the application. However, Examiners are not expected to make comprehensive searches of other Item responses as they evaluate any particular Item.

### **2. Must applicants address all Areas to Address?**

Yes. All Areas must be addressed, although the applicant may choose to combine subareas or not to address subareas (e.g., 6.1a[1]) due to priorities or space limitations. Failure to address an Area should be a basis for an opportunity for improvement (OFI) in the feedback comments and a significant consideration in assigning a score. Individual Areas are not assigned specific point values. Scoring should take into account how important an Area is for the success of the applicant’s organization.

### **3. Are all Areas to Address equally weighted in reaching a score for an Item?**

No. Scoring should take into consideration how important an Area to Address is for the success of an organization in the applicant’s operating environment. For example, one Area to Address may be more critical for a specific organization than another and, therefore, may be given more weight in scoring.

### **4. Should Examiners “believe” data and information presented by applicants?**

Yes. Examiners should assume all data and information presented are factual for purposes of scoring. If the applicant reaches Stage 3, Site Visit Review, the Site Visit Team may clarify or verify any information and data and the basis of any claims to make certain of the data origin, validity, and use. In fact, data validity and use are major issues on all site visits.

**5. Should Examiners use their own specific sector knowledge in scoring?**

Yes. Examiners may use general sector knowledge to evaluate and score an applicant. Success of the scoring process depends upon the full range of expertise and experience of Examiners in their sectors. In Stage 2, Consensus Review, such pooling would be particularly appropriate. However, any information not derived from the application that an Examiner may have relating to the specific applicant or its products or services should not be used in developing comments or scores.

**6. What should Examiners expect when evaluating the “how” aspect of an applicant’s approach?**

Items requesting information on approach include questions that begin with the word “*how*.” Applicant responses should outline key process information, such as methods, measures, deployment, and evaluation/improvement/learning cycles. Responses lacking such information, or merely providing an example, are referred to in the Scoring Guidelines as *anecdotal information*.

**7. What should Examiners expect when evaluating the “what” aspect of an applicant’s approach?**

Two types of questions in Approach-Deployment Items begin with the word “*what*.” The first type of question requests basic information on the name and purposes of the key processes, how they work, and who is involved, including employees, customers, suppliers, and partners. The information provided should also define how the process is aligned with organizational needs and linked to key performance requirements, as well as how the process is deployed and what evaluation and improvement cycles are used. (Although it is helpful to include who performs the work, merely providing such identification does not permit diagnosis or feedback.) The second type of question asks the applicant *what* are your key findings, plans, objectives, goals, or measures. These questions set the context for showing alignment in the performance management system. For example, the identification of key strategic objectives, action plans, human resource development plans, and some results measures can be expected to relate to the stated strategic objectives.

**8. What is meant by a “systematic” approach?**

Approaches that are systematic are repeatable and use data and information so that improvement and learning are possible. In other words, approaches are systematic if they build in the opportunity for evaluation and learning, and thereby permit a gain in maturity.

**9. Must Results be addressed in every Category and Item?**

Every Item is designated according to the type of information requested—Approach-Deployment or Results. All Categories ask for information on the actual “impact” (i.e., visible changes in the organization) in the Items addressed. For example, Leadership (Category 1)

is scored partly based on the evidence that awareness of leadership commitment is, in fact, widespread. Information and Analysis (Category 4) is scored partly based on evidence that the information system is actually in place and used. Also, processes cited in Categories 3, 5, and 6 would be expected to be followed up in Category 7 with results and data relevant to these specific key processes. The processes and results should be in concert with the KFs and key strategies and action plans.

**10. To which standards should Results be scored: sector-specific standards or worldwide standards in similar processes?**

In general, the Award intends that relevant worldwide benchmarks be used, particularly in assigning the very highest scores (90-100%). However, if the organization operates under constraints that make sector-specific comparison more sensible, Examiners may take such constraints into account. The intent is to set high but reasonable standards in seeking comparison points.

**11. When is it appropriate to designate a strength with a double plus (++) or an OFI with a double minus (--)?**

These designations should be used (1) when the observation has a major influence on the Item score and/or (2) when the observation is of particular significance to the applicant’s performance management system.

**12. What is the “50% mark?”**

An Approach-Deployment Item score of 50% represents an approach that meets the overall objectives of the Item and that is deployed to the principal activities and work units covered in the Item. Higher scores reflect maturity (cycles of improvement), integration, and broader deployment.

A Results Item score of 50% represents a clear indication of improvement trends and/or good levels of performance in the principal results areas covered in the Item. Higher scores reflect better improvement rates and/or levels of performance, and better comparative performance as well as broader coverage and integration with organizational requirements.

**13. What are the issues leading to the greatest variability in scoring?**

**a. Scores not adequately related to the KFs or Scoring Guidelines**

Examiners are asked to consider the KFs for each Item to determine whether the applicant’s response is relevant and important to its organization, particularly the customer requirements and key strategies and action plans. Item scores should be based on the best fit of the Item response with the Scoring Guidelines.

***b. Examiner acceptance of statements made by applicants.***

Examiners are asked to accept applicants' statements at face value and to base judgments on whether or not statements are "reasonably supported." The greatest difficulties arise in Approach-Deployment Items. "Reasonably supported" should be taken to mean that applicants have provided sufficient information to convey what is done and who does it and, thus, give the Examiners a flavor of the system for accomplishing the aims addressed in an Item. Without such information, Examiners would have difficulty giving useful feedback. For example, statements such as *"The highest ranking official of our organization is fully committed to quality."* are not reasonably supported (even though they may be factual) because they do not permit meaningful feedback. However, "reasonably supported" should not be taken to mean proof backed by considerable detail, especially since applicants are given only 50 pages in which to address a wide range of issues throughout the entire organization.

***c. Setting the 50% point***

Some Examiners take the 50% point to mean excellence and maturity, covering all activities under the scope of an Item. This approach tends to compress the measurement scale, virtually eliminating scores of 60% or higher. This, in turn, tends to differentiate poorly among applicants, despite real differences. Though the 50% point reflects systems and results of organizations with functioning quality systems, it should not be taken to mean full deployment, maturity, and refinement.

***d. Using the Areas to Address and Item Notes as a "checklist"***

Some Examiners appear to expect applicants to address fully every individual point in the Items, even though many such points are included to illustrate the meaning of the Criteria. This approach generally results in scores that are too low and feedback that lacks relevance. Again, it is important to remember that the page limit may prevent applicants from furnishing full details included or implied within an Item. The most effective scoring and the most useful feedback derive from analysis of how well the applicants address the basic objectives of the Items. Applicants that provide more complete information, address overall purposes of the Item well, and achieve positive results from their efforts clearly merit further review—consensus review and site visit review. At these later stages of review, the finer points of quality systems may be explored.

***e. Treatment of missing information***

Examiners are asked to note significant missing information with a minus sign (-). This designation is intended to reinforce the concept that significant missing information must be treated as having a negative impact on scoring and result in an OFI in the Scorebook. If the applicant reaches Stage 3, Site Visit Review, significant missing information should be requested. This information, if available, should have a positive impact on Item scoring and result in a modification to the potential OFIs in the Scorebook. The degree to which missing information negatively affects an Item score should take into account how important the Area to Address is for the success of the organization, considering the applicant's operating environment and KFs.



## 6.0 STAGE 1, INDEPENDENT REVIEW

### Overview

Independent review is the first stage of evaluation of applicants for the Malcolm Baldrige National Quality Award. All Examiners participate in Stage 1. During Stage 1, each application receives review by a group of Examiners, each working independently. Each Examiner reads the application, writes comments about strengths and OFIs in the scorebook, and scores the applicant's response to each Item against the Criteria. The results from the independent reviews are consolidated and provide (1) the basis for the decisions of the Panel of Judges regarding which applicants proceed to Stage 2, Consensus Review; and (2) the basis for the feedback report for those applicants that do not proceed to Stage 2.

### Assignment of Examiners

NIST assigns Examiners to read, evaluate, and score the applications after each application has been processed. Examiners receive applications to review during a three-to-six-week period. Assignment of Stage 1 Examiners is designed to provide the fairest, most competent evaluation of each application. Examiners are assigned to applications on the basis of their knowledge and experience, consistent with the requirements to avoid conflicts of interest, to apportion the application load equitably, and to adhere to agreed-upon schedules.

### Independent Review Process

The written applications are reviewed independently by the Examiners/Senior Examiners. Full details on scorebook preparation are contained in the *Scorebook for Business, Education, and Health Care*. Briefly, in Stage 1, the Examiners/Senior Examiners **must** do the following:

- Read the application, review the Organizational Profile, record the KFs, and identify key strategies and action plans.
- Consider the KFs relevant to each Item.
- Read the Criteria and application response for each Item.
- Prepare written (preferably word processed) comments for the strengths, the OFIs, and the percent scores for all Items. Use an iterative process to draft and refine comments and to assign scores. Ensure that the scoring range selected reflects the written comments, and that the comments are crafted in language derived from the Scoring Guidelines and the Criteria. See Section 5.0 of this Handbook, "Scoring System," for further information on scoring. See also Question 5, page 6-2.
- Complete the scorebook worksheets (Key Factors, Key Themes, Item, and Score Summary Worksheets), the Conflict of Interest Statement, Code of Ethical Standards Statement, and the Checklist. The scorebook contains further information on how to complete the various worksheets.
- Send the original completed scorebook to the address provided by the assigned deadline.
- Write a final scorebook, if assigned, for applications not forwarded for consensus review. (Prior to writing the final scorebook, the scorebook writer will receive the other Examiners' Stage 1 scorebooks.)

At the end of Stage 1, the Judges select the applications to proceed to Stage 2, Consensus Review, based on the combination of scores and scoring profiles. In deciding which applicants warrant a consensus review, the Judges consider applicants in each of the five Award categories (manufacturing, service, small business, education, and health care) separately.

Applicants and Examiners are identified to the Judges by a code number only. The Judges review the scoring profile of each applicant, which includes the Item scores (in graph and table form) from each Examiner assigned to evaluate that applicant, and then vote on whether or not an applicant will be included in Stage 2. Applicants are considered in order from lowest to highest in median score. Once it is decided that an applicant will receive a consensus review, all higher scoring applicants also proceed to Stage 2. See Section 11.0 of this Handbook, "Selection Procedures Used by the Panel of Judges," for further information on the judging process.

If an application is not selected for consensus review, the written comments developed by the individual Examiners are used by a designated scorebook writer to prepare the final scorebook. The final scorebook is then converted to a feedback report. The feedback system is described in Section 10.0 of this Handbook.

### Frequently Asked Questions About Stage 1, Independent Review

#### 1. What happens if an Examiner has a conflict of interest with the assigned applicant?

Every effort is made to identify conflicts of interest before assignments are made. Examiners should open each assigned application *immediately* upon receipt to scan the application for any conflict, particularly with the applicant's competitors and suppliers. If a potential conflict is discovered, NIST should be called and asked to verify that a conflict exists. After discussion, if it is agreed that a conflict exists, the application must be returned as instructed. Immediate identification of

conflicts allows NIST to quickly reassign the application and still allows for a timely review.

**2. How long does it take to complete the evaluation and scoring of an application?**

Examiners report that on average it takes 30 to 40 hours to read an application, write comments for the strengths and OFIs, determine an appropriate score for each Item, and complete the additional worksheets in the scorebook. Stage 1, Independent Review, occurs from June through August.

**3. Is it better to write comments for an Item first or to select a score for the Item first?**

Comments form the basis for the score. Delineation of the strengths and OFIs related to the Criteria requirements, KFs, key strategies, and action plans provides the information to determine in which part of a particular scoring range the applicant's response to an Item falls. Writing comments before scoring helps to ensure that each Item's score is based on its specific merits, rather than on an overall perception of the applicant carried over from other Items.

**4. Should the Stage 1 scorebook include site visit issues?**

No. Site visit issues are not recorded until the consensus review, when each Consensus Team member drafts Item Worksheets that represent the team's evaluation of the applicant. The Consensus Team discusses key issues to be verified or clarified if the applicant is selected for a site visit.

**5. Is it necessary to word process the comments in the scorebook, and is the scorebook available on diskette?**

It is strongly recommended that comments be word processed to support the scorebook writer's task. Also, it is strongly recommended that scorebook comments be prepared or saved in MS Word 6, 12 point, Times New Roman. NIST has made the scorebook available on the Baldrige Web site at [www.quality.nist.gov](http://www.quality.nist.gov).

**Note:** The Examiner must be the only one who does the word processing of a scorebook, since the application and the scorebook are confidential.

**6. How many applications will each Examiner review?**

The number of reviews per Examiner depends on the number of Examiners on the Board and the number of Award applications received. Over the last several years, the number of applications reviewed annually by each Examiner has ranged from one to three.

**7. What should Examiners do if they are unable to complete the application review by the due date?**

Occasionally, unexpected circumstances interfere with the completion of an application review by the due date. **As soon as Examiners realize that they cannot meet the due date, they should notify NIST so that appropriate alternatives can be developed to ensure a**

**timely review.**

**8. When should materials be returned?**

Upon completing the application review, Examiners should return scorebooks as instructed and no later than the due date. Examiners should keep the application and any other materials until they are requested to return these documents. These materials may be needed if the applicant is selected for the next review stage.

**9. If an Examiner is not assigned to the Stage 2 Consensus Team for an applicant, what happens to the scorebook that the Examiner prepared?**

All Stage 1 scorebooks are used if an applicant is selected for Stage 2, Consensus Review. In particular, the comments are reviewed by all assigned team members to identify significant findings and any rationale for differences in scoring. If an applicant is not selected for consensus review, all Stage 1 scorebooks are used to prepare the final scorebook that is the basis for the applicant's feedback report.

**10. How much detail should be provided in a written comment?**

A comment that is useful to the applicant will be "actionable" without being prescriptive and have enough information for the applicant to begin improvements based on the comment. A useful comment will include what is relevant and central to the Criteria and important to the applicant and will draw the linkages between Categories. It will be specific, referring to examples from the application's Organizational Profile, key strategies and action plans, and the Category response.

Examples of effective comments follow.

- + The applicant uses the annual Student Services Design Process (Figure 6.2-2) to determine student service requirements and to incorporate these requirements into the design and delivery of student services. Key aspects of the process include using customized stakeholder surveys, balancing stakeholder needs against the organizational mission and priorities, and considering the critical stakeholder requirements in each step of the design process.
- Although the applicant uses a systematic strategy development process (Strategic Planning Process, Figure 2.1-1) to develop short-term plans and objectives, there does not appear to be a longer-term planning process that considers longer-term considerations such as market changes, customer requirements, and competitive environment or that develops longer-term strategic plans and objectives.

## Independent Review: DOs and DON'Ts

- *Do* maintain confidentiality regarding all information about the application.
- *Do* open the application immediately to scan for conflict(s) of interest. Call NIST to verify if a conflict exists.
- *Do* allow adequate time (at least 30-40 hours) to provide a thorough review of all seven Categories and to complete all worksheets.
- *Do* notify NIST as soon as possible if completing the review on time is not feasible.
- *Do* review the case study scorebook for a sample of acceptable written comments.
- *Do* use the detailed “Recommended Process for Evaluating Applications and Completing Scorebooks” contained in the *Scorebook for Business, Education, and Health Care*.
- *Do* ensure that comments address the basic objectives of the Criteria for the Category and Item and that they are actionable.
- *Do* refer to the Scoring Guidelines to determine an appropriate score for each Item.
- If possible, *do* use a word processor and prepare or save all scorebook worksheets in MS Word 6, 12 point, Times New Roman, so other Examiners will be able to use the comments for consensus review.
- *Do* return the completed scorebook to the address provided by the assigned deadline.
- *Do* return the application and all evaluation materials on or before the date requested.
- *Don't* discuss the application or scoring with other Examiners, the applicant, or anyone else.
- *Don't* return unscored applications without notifying NIST.
- *Don't* make prescriptive or predictive comments in the Scorebook.
- *Don't* make copies of the application.
- *Don't* delegate word processing of the scorebook to another person.
- *Don't* use the applicant's name in comments.

## 7.0 STAGE 2, CONSENSUS REVIEW

### Overview

Applicants selected by the Panel of Judges for further evaluation move to Stage 2, Consensus Review. The purpose of Stage 2 is to clarify and resolve differences in individual Examiner's observations and scoring from Stage 1, Independent Review. At the consensus review stage, a team of Examiners reaches consensus on key themes, key factors, comments that capture the team's collective view of the applicant's strengths and OFIs, the resulting score, and the issues to clarify and verify if the applicant is selected for a site visit. The consensus scores and scoring profiles are used by the Panel of Judges in selecting applicants to be site visited. If an applicant is not selected for a site visit, the team's comments are used for the final scorebook. The final scorebook is the basis for feedback to the applicant.

### Composition of the Consensus Team

A Consensus Team consists of a combination of Examiners and Senior Examiners. Whenever possible, team members are selected from Examiners who completed the Stage 1, Independent Review of the application. Team leaders are selected from Senior Examiners who have received additional training on the Award's purposes and processes.

### Consensus Review Process

Consensus is an agreed-upon decision on a scorebook comment, site visit issue, and numerical score, based upon the contributions of **all** team members. The Consensus Team, via conference calls, reaches consensus on comments synthesized from the Stage 1 scorebooks and arrives at a consensus score for each Criteria Item. The scorebook editor prepares a consensus scorebook using the work of the consensus team. The consensus scorebook is used as the basis for the feedback report for applicants dropping out at Stage 2. It also serves as the basis for site visit planning for applicants going on to Stage 3.

The key steps in the consensus review process are as follows:

- Receive assignment to a consensus team.
- Complete planning/prework.
  - Review all Stage 1 scorebooks.
  - Draft the Key Factors Worksheet and the Key Themes Worksheet.
  - Develop draft Item Worksheets for the assigned Items (including proposed comments, site visit issues, and score) and any other assignments and distribute to other team members and NIST.
  - Serve as Item backup as assigned.
  - Review all draft Item Worksheets and other assignments prepared by other team members before the consensus call.

- Plan the discussion order of the consensus conference call.
- Conduct the conference call(s).
  - Lead discussion on assigned Items.
  - Finalize the Key Factors Worksheet and the Key Themes Worksheet.
  - Perform other roles as assigned.
- Complete consensus call follow-up tasks.
  - Revise the assigned Item Worksheets to reflect discussion on the consensus call(s) and forward to the team leader and scorebook editor.
- Prepare peer reviews of Stage 1 scorebooks and forward to NIST.
- Prepare and submit the final consensus scorebook, if assigned.
- Review consensus scores/scoring profiles and selection of applicants for site visit review by the Panel of Judges.

**Note:** Examiners selected for Consensus Teams will receive detailed instructions on each step of the consensus review process.

### Conducting the Consensus Call

#### *Determining Consensus Comments, Consensus Scores, and Site Visit Issues*

- The team discusses KFs and Criteria requirements for each specific Item.
- The team discusses the applicant Item by Item, noting key factors and key themes. The team discusses the comments on the draft Item Worksheets prepared by the Category/Item leader. The discussion focuses on how to tailor the individual comments. Divergent views are discussed and resolved by going back to the application, KFs, Criteria requirements, and Scoring Guidelines. The team identifies important Criteria requirements that are not already addressed in the draft comments and develops comments representing its view of the applicant on these issues.
- The team reaches consensus on the Item comments ensuring that all comments represent the team's commonly held view of the applicant's strengths and OFIs as each relates to the main objectives of the Criteria for the Item.



- Using the Scoring Guidelines, the assigned Category/Item discussion leader will propose a scoring range and then a consensus Item score aligned with the agreed-upon comments. Team members are polled to determine agreement with the proposed range and the score.
- If consensus cannot be reached and the difference in proposed consensus scores among team members participating on the call is 30% or less, the average (arithmetic mean) of the proposed consensus scores of team members participating in the conference call may be used.
- If consensus cannot be reached and the difference in proposed consensus scores among team members participating on the conference call is greater than 30%, the team leader completes a Resolution of Significant Differences form. This form is used to report the discussion and how the team leader handled the comments and the scoring for this Item.
- The team discusses site visit issues that (1) relate directly to and involve verification/clarification of one or more of the strengths or OFIs agreed upon on the call, and (2) respond to major objectives of the Item requirements.
- The team discusses and agrees upon the key themes resulting from the application review.

## **Frequently Asked Questions About Stage 2, Consensus Review**

### **1. How many applications will an Examiner review in Stage 2?**

Generally, one-half to two-thirds of the Examiners who complete a Stage 1 review will receive a Consensus Team assignment for that applicant, providing the applicant moves forward in the review process. But should there be an opening on a Consensus Team, an Examiner from Stage 1 whose applicant did not move forward could be asked to fill the opening. The Examiner then may be asked to complete an additional independent review for this applicant in order to participate in the Consensus review.

### **2. Can the draft Item Worksheets be faxed to other team members?**

Yes. Consensus work documents may be faxed. However, all communications should meet confidentiality requirements. (See Section 3.0, Rules of Conduct and Code of Ethical Standards.) The applicant should be referred to by number only. Recipients of the faxed document should be called first so they can protect confidentiality by receiving the document personally.

### **3. When are conference calls typically scheduled?**

Examiners are notified of the consensus calendar during the Examiner Preparation Course and are encouraged to plan their schedules to allow for participation on a Consensus Team. Scheduling the conference calls can be the most difficult part of the consensus review. Most calls take place during normal business hours. Some teams find evenings and weekends to be the only time they can schedule the calls. It is not unusual for team members to participate on consensus calls during business travel or vacation leave. Examiners should clear their calendars, as necessary, to participate in the scheduled calls. It is important to plan to be flexible.

### **4. What if an Examiner cannot be there for part of the conference call?**

It is critical that **all** team members participate in the consensus review process. Team members should contact the team leader immediately if a problem arises with the proposed schedule. If schedules change and an Examiner must step away from the call, the team leader will have to reschedule the call to allow for the full participation of that team member. It is essential that each team member participate in the **entire** conference call.

### **5. Can electronic mail be used to forward draft Item Worksheets to other team members?**

No. Electronic mail via the Internet is not a secure means of communication for purposes of consensus review and should not be used. Instead, use overnight mail or a secure fax. The use of cellular and cordless telephones for consensus calls also is not a secure means of communication and, thus, is not permitted. Although there are methods to secure these communications, there are no guarantees.

### **6. Can secretaries, family members, or anyone else help prepare and transmit consensus review documents?**

No. Secretaries and other persons should not prepare, copy, or transmit confidential consensus review documents. Examiners are solely responsible for all the materials and information.

### **7. What are the time commitments required for participating in the consensus review process?**

The consensus review process occurs from mid-August through mid-September. It is estimated that 16-20 hours will be required: 6-8 hours prior to the calls, 8 hours for the consensus calls, and 1-3 hours after the calls to rewrite the draft Item Worksheets and other consensus scorebook documents.

## Consensus Review: DOs and DON'Ts

- *Do* be flexible during call scheduling.
- *Do* prepare. It is essential that each team member fully prepare prior to the conference call. Complete the draft Item Worksheets by considering the comments from all scorebooks and synthesizing the information into six to ten comments that are important to the applicant and respond to the main points of the Criteria. Write key site visit issues. These issues derive directly from the draft comments and focus on approaches, deployment levels, and results described in the application that need to be verified or clarified on site to fully assess the applicant's performance relative to the Criteria.
- *Do* distribute the draft Item Worksheets to other team members and NIST in advance to enhance the efficiency and effectiveness of the consensus conference call.
- *Do* review all draft Item Worksheets prepared by other team members prior to the call.
- *Do* review the draft Key Factors Worksheet and Key Themes Worksheet prepared by the scorebook editor prior to the call.
- *Do* meet deadlines and connect to the conference calls on time.
- *Do* have the necessary materials at hand: the Criteria, the application, the Scoring Guidelines, all Stage 1 Scorebooks, and the draft Key Factors, Key Themes, and Item Worksheets from other team members.
- *Do* participate in the conference call.
  - Listen to all points of view presented, including those of Examiners who prepared independent reviews but are not members of the Consensus Team.
  - Seek out the opinions of others, including the quieter members.
  - Provide your point of view.
  - Focus on discussing the substance of the comments, the Criteria, and the Scoring Guidelines, and then align the score with the comments.
  - Revise the draft Item Worksheets based on the conference call discussion.
  - Revise the Key Factors Worksheet and Key Themes Worksheet based on the conference call discussion.
- *Do* provide all written work in accordance with the team leader's instructions.
- *Don't* focus solely on numerical scores.
- *Don't* isolate or polarize team members who have differing views.
- *Don't* become defensive about your scores from the independent review.
- *Don't* ask other team members to justify high/low scores from the independent review.

## 8.0 STAGE 3, SITE VISIT REVIEW

### Overview

The site visit is Stage 3 of the evaluation of applications for the Malcolm Baldrige National Quality Award. Applicants that receive a site visit are selected by the Panel of Judges at the end of Stage 2, Consensus Review. The purpose of the site visit is to *clarify* uncertain points in the application and to *verify* that the information presented by the applicant is correct. Prior to the site visit, the team leader (in conjunction with team members) must do extensive preplanning, most of which is conducted by telephone, fax, and mail. The site visit includes visits by the Site Visit Team to one or more of the applicant's locations. At the start of the site visit, all team members meet off site to finalize strategies, procedures, and assignments. To conclude the site visit process, the team meets off site again to complete its site visit scorebook. The site visit scorebook is submitted to the Panel of Judges. The site visit scorebook forms the basis for the Panel of Judges' decision whether or not to recommend the applicant for the Award. It is also the basis of the feedback report for the applicant.

### Composition of the Site Visit Team

The Site Visit Team consists of six to eight members of the Board of Examiners. The number of board members on the team depends on the size of the applicant and the anticipated complexity of the site visit.

The team includes at least one Senior Examiner who serves as team leader. Also participating in the site visit is a NIST monitor. The NIST monitor does not take part in the evaluation process but helps to ensure that a consistent review process is followed for all site visits. Whenever possible, Examiners who participated in the consensus review are assigned to the Site Visit Team. Additional team members are selected on the basis of experience, industry knowledge, and availability.

### Site Visit Planning

#### 1. Notification of Applicant

After the Panel of Judges selects applicants for Stage 3, Site Visit Review, NIST notifies the applicants, ASQ, and the team leader.

After notification by NIST, the team leader calls the applicant's Official Contact Point (OCP). The team leader explains the purpose of the site visit and what might be expected of the applicant and of the Site Visit Team.

#### 2. Initial Preparation for the Site Visit

ASQ sends initial instructions to the team, along with logistical information and evaluation materials. The team leader works with the NIST monitor, ASQ, team members, and the applicant's OCP to establish the agenda of the site visit, the logistics of the visit, the length of the visit, and the start and finish dates. The team leader drafts a tentative plan (e.g., agenda, list of site visit issues to resolve, thoughts on a methodology for approaching the site visit, and distribution of Category/Item assignments among team members), discusses the plan with the backup team leader and the NIST monitor, and sends the plan to the Site Visit Team.

Examiners individually review the evaluation materials, complete Site Visit Issue Worksheets, exchange Site Visit Issue Worksheets with other team members and the NIST monitor, review site visit issues for assigned back-up Items, and perform tasks requested by the team leader. The team leader helps the team finalize the key issues for clarification and verification and the strategies for addressing the issues. The team ensures that a plan is in place to address adequately all key issues.

The team leader maintains regular, direct contact with the applicant's OCP to keep the applicant apprised of the site visit plans, answer any questions about the evaluation process, and obtain any additional information needed to prepare for the site visit. The team leader provides samples of site visit issues to the applicant's OCP.

#### 3. Final Preparation and Planning Meeting

The Site Visit Team holds a final preparation meeting at a hotel located near the applicant. The purpose of the meeting is to finalize the strategy, agenda, interview schedule, and Site Visit Issue Worksheets that address the issues the team will clarify and/or verify. The team will also develop a list of documents to review and interviews to conduct during the site visit so the applicant can be notified early in the site visit. The team will review and discuss Examiner professionalism.

### Site Visit Execution

#### 1. Conducting the Site Visit

This phase of the site visit begins with a one-hour opening meeting with the applicant at the applicant's headquarters. During this meeting, the team leader makes introductory remarks, and introduces the Site Visit Team members. The presentation includes a brief overview of the Baldrige Award and site visit process and procedures, using visuals provided by NIST. The applicant then welcomes the team, introduces its representatives, and presents other material as it chooses.

Team members meet with applicant representatives and pursue the specific Items or issues to which they have been assigned. The team members may provide a list of needed documents and request updated graphs, charts, or data. Team members identify and schedule activities or individuals to be seen. The Site Visit Team meets as necessary to assess how the chosen approaches are working and to alter plans as appropriate.

When the team leader and all team members are satisfied that all issues have been clarified or verified as needed, the team closes the site visit by holding a brief closing meeting with appropriate representatives of the organization. The team leader explains the next steps in the process using visuals provided by NIST, including preparation of the site visit scorebook and the decision making process used by the Panel of Judges; thanks the applicant for the hospitality shown to the Examiners; and commends the applicant for being selected for the site visit. The applicant also provides brief closing remarks. The NIST site visit monitor ensures that arrangements are set for returning applicant materials after the site visit scorebook is completed. After the meeting concludes, the team returns to the hotel to complete the site visit scorebook.

## **2. Completion of the Site Visit Scorebook**

The site visit scorebook is based on the content of the consensus scorebook, updated with the findings from the site visit. It builds from the consensus scorebook to the site visit issues, the Item Worksheets, and the Key Themes Worksheet, with each piece providing the foundation for the findings of the next piece. The scorebook provides the Judges with an audit trail of the results of the site visit for use in making Award recipient recommendations.

The Site Visit Team finalizes the Site Visit Issue Worksheets, recording findings for each site visit issue. Team members update strengths and OFIs for each Item on the specified Item Worksheet. All team members are responsible for relating information pertinent to site visit findings to the designated scorebook editor. The team leader prepares the Summary of Sites Visited, updates the KFs, and completes the Key Themes Worksheet and the scoring revisions on the Score Summary Worksheet. The team reviews and modifies, if necessary, all worksheets and summaries prior to signing the Signature Statement page of the site visit scorebook. **The entire site visit scorebook is finished before the team members officially conclude the site visit.**

At the conclusion of the site visit, an original paper copy of the site visit scorebook is printed for NIST. Five electronic copies of the site visit scorebook are made—one each for NIST, the team leader, the backup team leader, the scorebook editor, and ASQ. The NIST monitor forwards an electronic copy to ASQ, along with a paper copy of the signature page.

The scorebook editor edits the final site visit scorebook and sends it to the team leader for final review. The team leader must review, make any final revisions, and forward the final site visit scorebook to NIST in accordance with the established schedule.

## **Computer Use**

Site Visit Team members are encouraged to bring portable laptop computers on the site visit to use in preparing the site visit scorebook. At the beginning of the site visit stage, the team will discuss computer use and identify computer requirements to ensure coordination and compatibility. Electronic files containing Award evaluations must be treated with the same degree of security as paper copies of Award materials. In preparing for a site visit, electronic files with Award evaluation materials may **not** be sent over the Internet or by e-mail because of the difficulty in securing these communications.

On the site visit, Examiners may use their computers in their hotel rooms or the team conference room at the hotel. However, Examiners should not take their computers to the applicant's facilities. Examiners may not use the applicant's computers to prepare the site visit scorebook or to extract or retrieve data in response to a site visit issue.

When the site visit scorebook is complete, a copy of the electronic files for each section is provided to the team leader and/or scorebook editor to use in preparing the final site visit scorebook. All electronic files must then be removed from each Examiner's hard disk and/or diskettes (including any backup files the word processor or computer system may have created). Diskettes must be reformatted so that information cannot be retrieved using software recovery programs.

## Frequently Asked Questions About Stage 3, Site Visit Review

### 1. What will the team leader ask Examiners to do to prepare for the site visit?

Examiners will be asked to provide the following information:

- the Examiner's expertise and preferences for Item assignments
- copies of the Examiner's draft Site Visit Issue Worksheets
- suggestions, based on the site visit issues, for whom to interview, which sites to visit, what strategies and approaches to use, and agenda items
- the type of computer and software the Examiner will bring to the site visit
- travel, arrival, and departure plans

### 2. How many days will the site visit take?

The time needed for the site visit review process includes preparation time at the Examiner's home location, pre-site visit telephone calls, a one-day planning meeting at the headquarters location of the applicant, two to four days on site, and two days to write the site visit scorebook. The size and complexity of the applicant will influence the length of time spent at the site. Generally, Examiners can expect to spend five to seven days *at a site visit* in addition to the preparation time.

### 3. How are site visit issues selected?

Examiners complete Site Visit Issue Worksheets for their assigned Categories and Items. Each Site Visit Issue Worksheet contains one issue. The issues are based on the need to clarify or verify strengths or OFIs listed in the consensus scorebook. Since the site visit is not an audit, Examiners are encouraged to be selective in the issues to be clarified or verified. Category/Item leads and backup partners review each other's Site Visit Issue Worksheets prior to the planning meeting. At the planning meeting, the team prioritizes and assigns the issues to the most appropriate Examiners. The selection of issues or questions for clarification and/or verification during the site visit is crucial to an effective site visit.

Characteristics of a well-chosen site visit issue include the following:

- **It is an essential component of the score.** It focuses on factors that are important for the applicant, even if it is not important for all organizations. It may be one of the significant strengths or OFIs that requires verification (often the extent of deployment) and was identified at earlier stages of review, or it may be a significant issue for which information in the application is missing or unclear.

- **It is "cross-cutting."** It is the type of issue that affects, directly or indirectly, more than one examination Item. Also, it may include the degree to which an aspect of management is integrated throughout the applicant's organization.
- **It is part of the deployment determination.** The degree to which the applicant's approaches are deployed is often difficult to assess via the written application. The degree of deployment is often dependent upon the maturity of the program.
- **It is verifiable.** Acceptable techniques by which the team can get an answer to the issue are examining data sources, interviewing employees, or listening to presentations by the applicant. Unacceptable techniques include: (1) interviewing customers, suppliers, or dealers unless they are a part of an official management or advisory structure; (2) conducting impromptu surveys; and (3) assessing individual customer complaints.

### 4. How can Site Visit Team members be contacted by their offices or families on the site visit?

In upholding the Rules of Conduct, it is important to maintain the confidentiality of the applicant. It is best to provide the Baldrige National Quality Program telephone number (301-975-2036) to those who may need to contact you in an emergency. If necessary, the hotel telephone number may be provided for evening contact.



## Site Visit Review: DOs and DON'Ts

- *Do* review the KFs of the applicant, including what issues are important, the size of the organization, and the nature of its markets/operations.
- *Do* plan to stay for the entire site visit, specifically through the completion of the site visit scorebook.
- Before the site visit, *do* ask the team leader to request items or information that will require special preparation by the applicant. Do not wait until the site visit starts to make requests such as these:
  - The team wants to interview a manager who is physically located at a site other than the one to be visited. The applicant will need to fly the manager in for the site visit or arrange for a telephone conference call.
  - The team will need data that have not been compiled or otherwise pulled together. Gathering the data would require substantial preparation by the applicant.
- *Do* bring your Baldrige name badge and represent yourself as a Baldrige Examiner.
- *Do* exercise common sense when scenarios arise that you have not encountered previously. Do what makes sense and is consistent with the principles emphasized in the Handbook and reinforced in the Examiner Preparation Course.
- *Do* come prepared for a heavy schedule of activity beyond normal work hours. The agenda is full, the schedule hectic, and the environment intense.
- *Do* wear comfortable clothing appropriate for the types of facilities you will be visiting and the off-site team sessions where discussion and writing occur.
- *Do* avoid the use of alcohol until the site visit scorebook is completed.
- *Do* ask for whatever information is needed to clarify or verify your assigned issues. Ask spontaneous questions. However, be realistic and do not place an undue burden on the applicant by requesting things that are not necessary.
- *Do* adhere to the agenda items, but be flexible. It is vital that the applicant feels the opportunity was available to “tell its story.”
- *Do* be alert to any response or lack of response that may affect the Site Visit Team’s agenda or approach. Let the team leader know of the findings so a change in the agenda or approach can be considered. However, avoid appearing indecisive by requesting too many changes.
- *Do* be prompt for all appointments.
- *Do* take thorough notes for documenting the findings. Note the kinds of things that will help the applicant via the feedback report.
- *Do* have originators of documents attach business cards or place their names, locations, and phone numbers on the front of all documents.
- *Do* participate in regular meetings and debriefings to share information and impressions, to ensure that all relevant information is obtained, to ask questions of other Examiners about their interviews, and to adjust strategy as needed.
- *Do* make arrangements with the NIST monitor for the return or disposal of all materials after the site visit. All applicant materials must be returned to the applicant. **All** notes, drafts, consensus scorebooks, drafts of Site Visit Issue Worksheets, applications, and flip charts must be given to the NIST monitor. All digitally stored material about the site visit must be deleted. (See Section 3.0 of this Handbook for more information about computer practices.)

## Site Visit Review: DOs and DON'Ts, continued

- *Don't* contact the applicant prior to the site visit unless you are the team leader or backup team leader.
- *Don't* depart before the site visit scorebook is finished.
- *Don't* take laptop computers to the applicant's site.
- *Don't* take cameras, video recorders, or cellular phones to the site.
- *Don't* discuss any of the following with the applicant:
  - personal or team observations, findings, conclusions, or decisions, whether in a critical or complimentary way
  - practices of other applicants
  - team observations about other applicants
  - names of or any other information about other applicants
  - your personal or professional qualifications
  - information about your own organization
- *Don't* show or give verbal or nonverbal feedback during interviews. Do not let the applicant's representatives know your evaluation of their answers.
- *Don't* interview consultants, customers, and suppliers.
- *Don't* hold debriefings, meetings, or discussions of the site visit in an open area.
- *Don't* take applicant materials, reports, documentation, etc., off site unless it is essential and the applicant agrees to allow the materials off site.
- *Don't* write on any of the applicant's materials.
- *Don't* leave for home with any of the applicant's materials.
- *Don't* accept gifts of *any* sort.
- *Don't* bring family members or friends on site visit trips.
- *Don't* interact with the applicant after leaving the site.

## 9.0 RECOMMENDATION OF AWARD RECIPIENTS

At the conclusion of Stage 3, the Panel of Judges reviews the site visit scorebooks and selects applicants to be recommended as Award recipients to the Director of NIST. The Judges consider applicants in each of the five Award categories (manufacturing, service, small business, education, and health care) separately. Judges do not participate in any deliberations on applicants with which they have conflicts of interest. Discussion of the application continues until all participating Judges conclude that the case has been adequately covered.

The primary role of the team leader in the recommendation of applicants traditionally occurs in a conference call with the Judges. This call takes place during the November Judges' meeting. If the team leader is not available to take the conference call with the Judges, the backup team leader will participate.

In preparation for the conference call, the team leader reviews the site visit scorebook and makes note of any special issues that the team found on the site visit or that the team leader feels are not adequately conveyed in the site visit scorebook. In addition, the team leader prepares to address the following:

- Thinking about the questions in the Organizational Profile, did the team have any new insights about the applicant as a result of the site visit?
- What are the most important strengths or outstanding practices (of potential value to other organizations) that the team identified?
- What are the most significant opportunities, concerns, or vulnerabilities that the team identified?
- Considering the applicant's KFs, what are the most significant strengths, vulnerabilities, and/or gaps (data, comparisons, linkages) found in its response to Results Items?

In addition, the team leader prepares to discuss other issues, including any substantive changes made between the presentation of the initial site visit scorebook and the final site visit scorebook.

One Judge serves as "Lead Judge" for each applicant. The Lead Judge summarizes the key issues for the other judges before the call but does not act as an advocate for the applicant. The Lead Judge begins the call by asking the team leader a series of questions prepared in advance by the Judges. When the Judges are satisfied that all issues have been addressed, they conclude the call. However, other issues could arise during the Judge's deliberations that may require additional calls to the team leader.

When all issues are resolved, the Judges take an elimination vote. If more than three applicants remain after all the applicants in a particular category have been discussed, additional discussions and elimination votes are held until the applicant pool in the category is reduced to three. When the remaining number of applicants is three or fewer, separate votes are taken for each candidate. All Judges with no conflict of interest with the specific applicant can participate in the vote to recommend an Award recipient. The process is repeated for each Award category.

At the conclusion of the meeting, the Chairperson of the Panel of Judges transmits the recommendations for Award recipients to the Director of NIST. See Section 11.0 of this Handbook, "Selection Procedures Used by the Panel of Judges," for further information on the judging process.



## 10.0 FEEDBACK SYSTEM

### Overview

Each applicant for the Malcolm Baldrige National Quality Award receives a written feedback report. The feedback system is one of the most important components of the evaluation process; it provides a pathway for continuous improvement. The feedback report is the mechanism by which applicants receive the assessment by the Examiners on strengths and OFIs relative to the requirements of the Criteria. Thus, each Examiner is the key to effective feedback. The comments provided in the scorebooks are vital to the production of the feedback report to the ultimate customer—the applicant.

Effective feedback requires (1) a thorough evaluation of the application relative to the Baldrige Criteria; (2) targeting of key strengths and OFIs for each Item; and (3) the effective communication of those strengths and OFIs to the applicant via the feedback report.

Examiner-prepared final scorebooks are converted to feedback reports by NIST staff. In Stage 1, the final scorebook is prepared by a “scorebook writer,” who synthesizes the comments of the independent Examiner reviewers. Final scorebooks in Stage 2 and Stage 3 are prepared by “scorebook editors,” who collect and edit the teams’ consensus scorebooks or site visit scorebooks, respectively, and coordinate with the team leaders.

### Feedback Report Format

The supplementary material and components of the final scorebook that are the basis for the feedback report are as follows:

- **Introduction** – prepared by NIST, explains the contents of the feedback report and gives a brief description of the application review process.
- **Key Themes Worksheet** – prepared by the scorebook writer/editor, is two to three pages in length and contains an overall summary of the key points of the evaluation of the applicant. It is an assessment of the applicant’s most important strengths, significant opportunities for improvements, and key results.

- **Item Worksheets** – prepared by the scorebook writer/editor, contains comments on each Item of the Criteria. Comments cite the applicant’s specific strengths and OFIs at the Item level.
- At the beginning of each set of Item worksheets that constitute a Category, an introductory statement is made indicating the percentage range (i.e., 0%, 10-20%, 30-40%, 50-60%, 70-80%, or 90-100%) of the applicant’s Category score. Even though scoring is not adjusted following a site visit, a statement is added to the feedback report to indicate whether the site visit findings would have resulted in an increase, a decrease, or no change in the Category score from the consensus review stage.
- **Scoring Bands** – prepared by NIST, the table gives the percentage distribution of applicants’ numerical scores during the Stage 1 review of written applications. It contains characteristics typically associated with the specific percentage ranges for applicants. (See next page.) Applicants are told in which scoring band they scored.

## Scoring Band Descriptors

Band	Band Number	Descriptors
0-250	1	The organization demonstrates the early stages of developing and implementing approaches to Category requirements. However, important gaps exist in most Categories.
251-350	2	The organization demonstrates the beginning of a systematic approach responsive to the basic requirements of the Items, but major gaps exist in approach and deployment in some Categories. The organization is in the early stages of obtaining results stemming from approaches, with some improvements and good performance observed.
351-450	3	The organization demonstrates an effective, systematic approach responsive to the basic requirements of most Items, but deployment in some key Areas to Address is still too early to demonstrate results. Early improvement trends and comparative data in areas of importance to key organizational requirements are evident.
451-550	4	The organization demonstrates effective, systematic approaches to many Areas to Address, but deployment may vary in some areas or work units. Fact-based evaluation and improvement that are responsive to the basic requirements of the Items are evident. Results address key customer/stakeholder and process requirements, and they demonstrate some areas of strength and/or good performance.
551-650	5	The organization demonstrates an effective, systematic approach responsive to many of the Areas to Address and to key organizational needs, with a fact-based evaluation and improvement process in place in key Areas. There are no major gaps in deployment, and a commitment exists to organizational learning and sharing. Improvement trends and/or good performance are reported for most areas of importance. Results address most key customer/stakeholder and process requirements and demonstrate areas of strength.
651-750	6	The organization demonstrates refined approaches, including key measures, good deployment, and very good results in most Areas. Organizational alignment, learning, and sharing are key management tools. Some outstanding activities and results address customer/stakeholder, process, and action plan requirements. The organization is an industry* leader in some Areas.
751-875	7	The organization demonstrates refined approaches, excellent deployment, and good to excellent performance improvement and levels in most Areas. Good to excellent integration and alignment are evident, with organizational analysis, learning, and sharing of best practices as key management strategies. Industry leadership and some benchmark leadership are demonstrated in results that address most key customer/stakeholder, process, and action plan requirements.
876-1000	8	The organization demonstrates outstanding approaches, full deployment, and excellent and sustained performance results. Excellent integration and alignment are evident, and organizational analysis, learning, and sharing of best practices are pervasive. National and world leadership is demonstrated in results that fully address key customer/stakeholder, process, and action plan requirements.

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\*Industry refers to other organizations performing substantially the same functions, thereby facilitating direct comparisons.

## Suggested Steps in Preparing the Final Scorebook/Feedback Report

Final scorebooks are prepared when it is determined that the applicant will not proceed to the next stage of the Baldrige process. NIST staff convert the final scorebooks to feedback reports.

**Stage 1 Reports** – The final scorebook for an applicant that does not proceed to Stage 2, Consensus Review is prepared during or after Stage 1, Independent Review by one of the Examiners who reviewed the application. The tasks involved in writing a final scorebook at Stage 1 include the following:

- Reviewing all scorebook comments from the independent reviews prepared for the applicant, the writing guidelines prepared by NIST, the applicant's scoring profile, and the Scoring Guidelines.
- Synthesizing similar comments that address the most important points and requirements of the Criteria.
- Eliminating inconsistencies in the comments, terminology, and abbreviations within and among the Key Themes and Item Worksheets as well as comments that focus on relatively unimportant issues.
- Balancing the number and weight of the comments to reflect the composite scoring profile of all Examiners who reviewed the written application.
- Completing and sending the Final Key Themes Worksheet and Item Worksheets to NIST according to the established directions and schedule. NIST will convert the final scorebook to a feedback report.
- Resolving questions and issues raised by NIST in the feedback report review process.

**Stage 2 Reports** – The final consensus scorebook for an applicant that does not proceed to Stage 3, Site Visit Review is prepared by one of the Examiners on the Consensus Team. At Stage 2, the tasks involved in editing a scorebook include the following:

- Participating in the consensus call, clarifying issues, asking for specific examples of points discussed and specific references to graphs/figures (if not indicated by the Item leader). Points noted by one or more team members and agreed to by all should be incorporated into the final consensus scorebook comments.
- Using the Consensus Team's work to prepare a final consensus scorebook that represents what was agreed upon during the consensus review stage conference call.

- Eliminating inconsistencies in the comments, terminology, and abbreviations within and among the Key Themes and Item Worksheets.
- Supplementing the comments with examples discussed during the consensus call.
- Notifying and receiving approval from the team leader of modifications or additions to comments or issues the scorebook editor believes should be included in the final consensus scorebook that were not agreed to during the consensus call.
- Completing and sending the final consensus scorebook to NIST and/or the team leader according to the established directions and schedule.
- Resolving questions and issues raised by NIST in the feedback report review process.

**Stage 3 Reports** – The final site visit scorebook for an applicant receiving a site visit is prepared by one of the Examiners on the Site Visit Team after the site visit is completed. The tasks involved in editing a Stage 3 scorebook include the following:

- Participating in the site visit, clarifying issues, asking for specific examples of points discussed or contained on Site Visit Issue, Item, and Key Themes Worksheets, and asking for specific references to graphs/figures (if not indicated by the Category/Item leader). Points noted by one or more team members and agreed to by all should be incorporated into the final site visit scorebook comments.
- Eliminating inconsistencies in the comments, terminology, and abbreviations within and among the Key Themes and Item Worksheets.
- Supplementing the comments with examples discussed during the site visit.
- Eliminating language such as "it is not clear" and "it is not evident" from the text. (Such issues should have been resolved during the site visit.)
- Notifying and receiving approval from the team leader of modifications or additions to comments or issues the scorebook editor believes should be included in the final site visit scorebook that were not agreed to during the site visit.
- Completing and sending the final site visit scorebook to NIST and/or the team leader according to the established directions and schedule.

## **Frequently Asked Questions About Preparing Final Scorebooks**

### **1. How long does it take to prepare a final scorebook?**

Writers/editors report that it takes between 30 and 40 hours to complete a final scorebook.

### **2. How many comments should there be for each Item Worksheet of the final scorebook?**

Although there is no hard and fast rule for the correct number of comments, there are generally six to ten comments that cover the main points of each Item. Each comment usually consists of one to three declarative sentences that capture a key point of the Criteria Item. The comments are distributed between strengths and OFIs so that they reflect the Item score. In general, for scores around 50 percent of the possible points, comments tend to be fairly evenly divided between strengths and OFIs. Lower scoring Items would have more comments under OFIs than strengths, while higher scoring Items would have more comments under strengths than under OFIs.

### **3. Will Examiners be penalized if they decline to prepare a final scorebook, or if they produce a final scorebook that is not very good?**

No. However, the Award Program operates well only if Examiners are willing to take on a number of tasks above and beyond the evaluation of applications. Such tasks include the preparation of final scorebooks. Therefore, if you are asked to prepare a final scorebook, we hope you will accept the task. Nevertheless, it is understood that other demands may prevent Examiners from preparing final scorebooks. It is also understood that some Examiners' strengths lie in areas other than scorebook writing and editing.

### **4. What guidance will Examiners receive if they agree to prepare a final scorebook?**

Scorebook writers/editors are given a model scorebook to familiarize themselves with the format and the layout of reports. In addition, detailed instructions are sent to each writer/editor. Members of the Award Process Team in the Baldrige National Quality Program Office are available to offer assistance and to answer questions.

### **5. Must a specific word processor be used to prepare a final scorebook?**

Scorebook writers/editors receive a report template both in paper copy and on computer diskettes to show desired formatting. It is strongly recommended that Examiners prepare or save the final scorebook in Word 6, 12 point, Times New Roman. Writers/editors also should indicate the word processing software used and provide a hard copy of the document.

### **6. How must Examiners protect computer files?**

To protect the confidentiality of the applicant, all computer files/diskettes must be secure. When notified that the feedback report has been sent to the applicant, the writer/editor will be asked to delete all computer files relating to the applicant, including the final scorebook, and to return all paper materials to ASQ.

## 11.0 SELECTION PROCEDURES USED BY THE PANEL OF JUDGES

### Selection of Applicants for Stage 2, Consensus Review

1. Separate lists for each of the five Award categories (Manufacturing, Service, Small Business, Education, and Health Care) are provided to the Panel of Judges for all applicants in *decreasing* order of score. The score used for the listing is the median of the scores of the Examiners who evaluated the application. Examiners and applicants are identified by a code number only. All of the scores from the Stage 1 review are given for each applicant. Various tables and graphs displaying the data are provided to each member of the Panel of Judges.
2. The process of selecting applicants for consensus review begins by examining the scoring data for the lowest scoring applicant in a specific Award category.
3. If the Judges require more than scoring information about the applicant, NIST answers their questions without revealing the organization's name or other information that could identify the applicant.
4. When the Judges are satisfied that they have sufficient information, they vote on the question of whether or not the applicant should receive a consensus review. A majority vote decides.
5. If the Judges vote "no," that applicant will not be included in the consensus review. The Judges will then consider the next higher scoring candidate.
6. If the Judges vote "yes," that applicant and all those who scored higher will be forwarded for consensus review.
7. The above process is conducted separately for each of the five Award categories.

### Selection of Applicants for Stage 3, Site Visit Review

1. Lists of the applicants are provided for each of the five Award categories in *decreasing* order of consensus score. Applicants are identified by code number only. The consensus scores and all of the individual Examiner scores are given for each applicant. Various tables and graphs displaying the data are provided.
2. The process of selecting applicants for a site visit review begins by examining the scoring data for the lowest scoring applicant in a specific Award category.
3. If the Judges require more than scoring information about the applicant, NIST answers their questions without revealing the organization's name or other information that could identify the applicant.

4. When the Judges are satisfied that they have sufficient information, they vote on the question of whether or not the applicant should receive a site visit. A majority vote decides.
5. If the Judges vote "no," the review process is repeated for the next higher scoring candidate.
6. If the Judges vote "yes," that applicant and all higher scoring applicants receive a site visit.
7. The above process is conducted separately for each of the five Award categories.
8. After the applicants are selected for site visits, the Judges learn their identities to ensure they will not have a conflict of interest in the judging process. Judges do not learn the names of the applicants not selected for site visits.

### Selection of Recommended Award Recipients

#### Basic Principles

- Maximum use of discussion/consensus.
- Maximum number of Judges participating in consensus and decision making.
- Elimination of conflict of interest and appearances of conflict. Conflicts of interest include four major types:
  1. Direct, such as current or recent employment or client relationship;
  2. Financial interest;
  3. Competitors of organizations for which direct linkages or ownership exists; and
  4. Category, which refers to a situation where a vote cast for or against applicants not covered under conflicts 1, 2, or 3 could affect the standing of an applicant covered under conflicts 1, 2, or 3.
- A Judge may not vote on an applicant if the Judge has not been present for a substantive portion of the discussion on the application.

#### Procedure

1. Judges come to the recommendation meeting having reviewed the scorebooks of all site-visited organizations, except those for which they have a conflict of interest of types 1, 2, or 3. Judges do not have information regarding such applications or applicants.
2. All conflicts are reviewed and discussed so that Judges are aware of the limitations on information that will be used to develop recommendations.

3. Applications in each of the five Award categories are discussed separately. Within a category, the applications with the most conflicts by Judges are discussed first. When the application number is announced by NIST, Judges with conflicts of types 1, 2, or 3 must leave the room.
4. Applications are discussed in detail, led by a Judge. Questions are developed for the Site Visit Team leader, and a conference call with the team leader is conducted. Discussion of the application continues until all participating Judges conclude that the review has been adequate.
5. At the conclusion of the discussion, there is an elimination vote on the application. A candidate is eliminated from further consideration only with a unanimous vote by all participating Judges. All Judges with any of the four types of conflict must leave the room during voting.
6. When the next application number is announced by NIST, the judging body is adjusted in accordance with the conflict of interest criteria used previously; all Judges with type 1, 2, or 3 conflicts with the applicant under discussion leave the room until the discussion and decision making concerning the applicant are completed.
7. After discussions of all applications in an Award category are complete, Judges having no conflicts of any kind convene to discuss and to vote on the remaining applicants. Each Judge votes to rank order the remaining applicants, 1 through n. For each Judge, 1 point is assigned for a first place vote, 2 points for a second place vote, etc. The applicant receiving the most points is eliminated from further consideration. No information is given on other point scores.
8. When an applicant has been eliminated, Judges who no longer have a conflict join the voting group.
9. The above voting process is carried out in an iterative manner, eliminating one applicant at a time.
10. When the number of applicants has been reduced to three, the process of elimination is completed.
11. All Judges with no conflict with the three remaining applicants can then vote on the final recommendation. There is a separate ballot for each candidate so that each may or may not be recommended as a recipient for the Baldrige Award. Decisions will be made by the following minimum margin of the voting Judges: 6/9, 6/8, 5/7, 5/6, 4/5, 3/4, 3/3, 2/2.

## APPENDICES

### Appendix I

#### Contact Information for the Award Manager and Award Administrator

##### Award Manager

Baldrige National Quality Program  
National Institute of Standards and Technology  
Technology Administration  
United States Department of Commerce  
Administration Building, Room A600  
100 Bureau Drive, Stop 1020  
Gaithersburg, MD 20899-1020

Telephone: (301) 975-2036  
Fax: (301) 948-3716  
E-mail: [nqp@nist.gov](mailto:nqp@nist.gov)  
Web address: [www.quality.nist.gov](http://www.quality.nist.gov)

##### Award Administrator

American Society for Quality  
600 North Plankinton Avenue  
Milwaukee, WI 53203

or

P.O. Box 3005  
Milwaukee, WI 53201-3005

Telephone: (800) 248-1946  
Fax: (414) 272-1734  
E-mail: [asq@asq.org](mailto:asq@asq.org)  
Web address: [www.asq.org](http://www.asq.org)



## Appendix 2

### Baldrige National Quality Program Information Services

A goal of the Baldrige National Quality Program is to disseminate information related to the Award and Program. Members of the Board of Examiners have provided immeasurable help in achieving this goal. The following list describes materials and further information that typically are provided to Examiners during the Examiner Preparation Course.

#### ■ Presentation Materials

Presentation materials with accompanying speakers' notes on the Award, Criteria, and Program are provided in both paper copy and on CD-ROM in PowerPoint 7.0 for Windows 95. No other software version is available.

#### ■ Portable Exhibit

The Baldrige National Quality Program makes available a portable table-top exhibit related to the Program and the Award for use at conferences and workshops. To reserve the table-top exhibit and request materials, please contact Customer Service at (301) 975-2036.

#### ■ Information Materials for Reference or Distribution

Available materials include copies of the Criteria, brochures, fact sheets, and Award recipient information. A complete listing of available materials is given to Examiners as part of their "Ambassador Kit." Multiple copies of most materials are available upon request.

#### ■ Videos

Award Recipients' Video—A copy of the most recent Award recipients' video (previewed at the Quest for Excellence Conference) is provided to all board members during the Examiner Preparation Course. Also included are "A Uniquely Rewarding Experience," a seven-minute videotape about the benefits of being an MBNQA Examiner; "Take the Journey! A Baldrige Invitation to American Small Business," a fifteen-minute video featuring the leaders of the Small Business Award recipients; and "A Journey Worth Beginning," an eleven-minute video addressing the value of applying for the Award.

#### ■ Update Newsletter

The *Update* newsletter keeps members of the Board of Examiners informed about the status of the Award cycle and Program, plans, and key people involved. It also provides the latest information on issues related to application review. It is provided throughout the Award cycle on an as-needed basis.

#### ■ Other Quality Award Program Information

State and Local Quality Awards—A directory of over 50 state and local quality award programs, including contact and program information, is available.

International and Regional Quality Awards—A list of over 40 international and regional quality awards, including contact information, is available.

#### ■ Baldrige Web Site

Many Baldrige National Quality Program materials are available on our Web site at [www.quality.nist.gov](http://www.quality.nist.gov). These materials include

- *Criteria for Performance Excellence* (Business, Education, and Health Care) booklets
- *Baldrige Award Application Forms*
- *Scorebook for Business, Education, and Health Care*
- Award Process Information and Key Dates
- State and Local Quality Award Contacts
- Latest Press Releases on the Baldrige National Quality Program

For more information, contact the Baldrige National Quality Program by phone at (301) 975-2036 or by e-mail at [nqp@nist.gov](mailto:nqp@nist.gov).



## NOTES

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## Baldrige National Quality Program

**Baldrige National Quality Program**  
**National Institute of Standards and Technology**  
**Technology Administration**  
**United States Department of Commerce**  
Administration Building, Room A600  
100 Bureau Drive, Stop 1020  
Gaithersburg, MD 20899-1020

The National Institute of Standards and Technology (NIST) is a nonregulatory federal agency within the Commerce Department's Technology Administration. NIST's primary mission is to develop and promote measurement, standards, and technology to enhance productivity, facilitate trade, and improve the quality of life. The Baldrige National Quality Program (BNQP) at NIST is a customer-focused federal change agent that enhances the competitiveness, quality, and productivity of U.S. organizations for the benefit of all citizens. BNQP develops and disseminates evaluation criteria and manages the Malcolm Baldrige National Quality Award. It also provides global leadership in promoting performance excellence and in the learning and sharing of successful performance practices, principles, and strategies.

Call BNQP for

- information on improving the performance of your organization
- information on eligibility requirements for the Baldrige Award
- information on applying for the Baldrige Award
- information on becoming a Baldrige Examiner
- information on the Baldrige Award recipients
- individual copies of the Criteria for Performance Excellence—Business, Education, and Health Care (no cost)
- information on BNQP educational materials

Telephone: (301) 975-2036; Fax: (301) 948-3716; E-mail: [nqp@nist.gov](mailto:nqp@nist.gov)  
Web address: [www.quality.nist.gov](http://www.quality.nist.gov)

**American Society for Quality**  
600 North Plankinton Avenue  
P.O. Box 3005  
Milwaukee, WI 53201-3005

The American Society for Quality (ASQ) advances individual and organizational performance excellence worldwide by providing opportunities for learning, quality improvement, and knowledge exchange. ASQ administers the Malcolm Baldrige National Quality Award under contract to NIST.

Call ASQ to order

- bulk copies of the Criteria
- case studies
- Award recipients' videos

Telephone: (800) 248-1946; Fax: (414) 272-1734; E-mail: [asq@asq.org](mailto:asq@asq.org)  
Web address: [www.asq.org](http://www.asq.org)

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